

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Re: Investigation into the Collocation Security)	
Policies of Verizon New England Inc. d/b/a)	D.T.E. 02-8
Verizon Massachusetts)	

**Reply Comments of
Allegiance Telecom of Massachusetts, Inc.
Regarding Motions to Compel**

I. Introduction

On May 8, 2002, XO Communications Massachusetts, Inc. (“XO”) filed with the Department of Telecommunications and Energy (“Department” or “DTE”) a Motion to Compel Verizon Massachusetts (“Verizon”) to respond to XO discovery question XO-VZ-1-6 that addressed cost issues (“XO Motion”). On May 10, 2002, Allegiance Telecom of Massachusetts, Inc. (“Allegiance”) filed its own Motion to Compel Verizon to respond to two information requests – AG-VZ-1-1 and AG-VZ-1-5 (“Allegiance Motion”).

On May 13, 2002, the Hearing Officer issued a procedural notice that set out a schedule for submitting comments and reply comments regarding the XO Motion and Allegiance Motion. On May 20, 2002, Verizon filed its Reply to the XO Motion and Allegiance Motion (“Verizon Reply”), and AT&T filed its comments regarding said motions (“AT&T Comments”). In accordance with the Hearing Officer’s procedural notice, Allegiance hereby submits its comments in reply to the Verizon Reply.

In its panel testimony, Verizon presented a number of dramatic proposals to change collocation arrangements in Massachusetts, without providing any details as to how and where these changes might take place, any reasons why these changes need to be made in the first place, or any information about how much these changes will cost. Then, in response to intervenors' discovery seeking basic information regarding the scope, nature, bases and approximate costs of Verizon's proposals, Verizon's strategy has been to present a series of objections and arguments, e.g., the information sought is irrelevant, production would be burdensome, the question is premature. The result of these objections and arguments, if sustained, would be that the Department and intervenors would be placed in the position of trying to adjudicate a radical, far-reaching proposal (which Verizon itself admits would violate existing FCC regulations) without any information about the proposal, its genesis, or the costs of implementing it, and with no apparent means of getting at that information. This would be an impossible undertaking, and such an approach would undermine the Department's legitimate interests in addressing CO security in light of post-September 11 concerns. The Department should bring a halt to Verizon's strategy now, and order Verizon to produce the highly relevant and eminently discoverable data sought by Allegiance and XO.

In the sections that follow, Allegiance replies to Verizon's specific arguments regarding AL-VZ-1-1 (CO floor plans) and AL-VZ-1-5 (cost information).

II. AL-VZ-1-1: CO Floor Plans

In AL-VZ-1-1, Allegiance sought floor plans of Verizon COs in order to evaluate Verizon's testimony that its "proposed security measures and enhancements are necessary *because of the present network architecture and configuration of equipment and facilities* in Verizon MA's COs and RTs." Verizon Testimony at 5 (emphasis added). Verizon's testimony itself provided no detail

whatsoever regarding the “configuration of equipment and facilities” in its COs, offering only the sweeping generalization that “[p]hysical collocation– and, in particular, cageless collocation or CCOE – inherently compromise Verizon MA’s ability to protect its network *within* the CO.” Verizon Testimony at 26.

In response to Allegiance’s argument that Verizon has failed to support one of the central grounds of its collocation security proposal, Verizon argues that “Allegiance takes that claim completely out of context.” Verizon Reply at 2. However, there is no mystery here – no issue with context. In its panel testimony, Verizon’s witnesses clearly state “Verizon believes that these proposed security measures and enhancements are necessary because of the present network architecture and configuration of equipment and facilities in Verizon MA’s COs and RTs.” The only mystery is how Verizon can now claim that “configuration of equipment and facilities in Verizon MA’s COs and RTs” is irrelevant to this proceeding. See Verizon Reply at 3-4.

Verizon’s argument that configuration of its equipment is irrelevant to this proceeding appears to spring from its attempt to gloss over the first centerpiece of its collocation proposal – a proposal to outlaw all physical collocation arrangements that are not in separate and secure space. While it may be the case that (1) all existing traditional caged and SCOPE collocation arrangements are located in separate and secure space and, thus, would be unaffected by the Verizon proposal; and (2) only one existing CCOE arrangement, in Hopkinton, is not in separate and secure space, and would have to be converted to virtual, it does not necessarily follow that the CO floor plans are irrelevant to Verizon’s overreaching proposal to outlaw all physical collocation arrangements that are not in separate space and secure.

In its testimony, Verizon states:

Verizon MA should be permitted to apply a general policy of *secure* segregation and separation of its equipment areas and collocator equipment areas, and should be allowed to migrate physical collocation arrangements that do not comply with that standard. Contrary to the FCC conditions currently on appeal, Verizon MA should not be limited to requiring separate space only where no additional time or costs would be incurred. 47 C.F.R. §51.323(i)(4). The security risks to the network far outweigh these restrictions.

Verizon Testimony at 27-28.

It would be impossible for the Department to consider the efficacy of such a policy without any evidence of the actual configuration of equipment within the various Massachusetts COs, and the impact on security of locating CLEC equipment in varying proximity to the Verizon equipment. That only one current CCOE arrangement would have to be converted to virtual *today* if the policy is adopted is beside the point; the main impact of the proposal will be on the future expansion of CLEC collocation in Massachusetts. Verizon is essentially arguing that there is no acceptable location for CLEC equipment in any Massachusetts CO, other than in separate and secure space, and CLECs must be given the opportunity to prove otherwise, which they cannot do without access to CO-specific information.

To evaluate the competitive impact of Verizon's proposal, the Department and intervenors must be able to discover the extent to which the "separate and secure only" requirement would limit future CLEC expansion. The proposal could be devastating for CLEC expansion if there is little or no additional separate and secure space in a number of competitively important COs. If that is the case, the Verizon proposal is merely a Trojan horse for an effective ban on additional physical collocation arrangements in those COs. Verizon would prefer that the Department and CLECs discover the true impact of its proposal only after it is adopted and CLECs find that their ability to provide true facilities-based services might never expand beyond what it was in mid-2002.

The Verizon Reply also attempts to gloss over the second centerpiece of Verizon's collocation security proposal - - the designation of "critical" COs, in which physical collocation would be, in fact, completely banned. Here, Verizon argues that there is no acceptable location for CLEC equipment, period, in certain COs, because of the type of Verizon equipment and switches located there; the nature of the customers served by Verizon in those COs (customers served by CLECs being, by definition, un-critical, apparently); and the number of access lines and special service lines served by the CO. Such a ban could only be based on a finding that there is no location at all in those COs for any CLEC-controlled equipment that does not present an unacceptable security risk to the CO. Again, how such a finding could be made without reference to the physical space at issue is difficult to comprehend. CLECs must be given the opportunity to show that there are, indeed, sufficiently secure locations in these putatively "critical" COs for their equipment, and that can be done only with access to floor plans and other detailed information about existing and potential equipment configurations at each such CO.¹

In ruling on this aspect of the Allegiance's Motion, the Department should focus on how Verizon itself characterized the scope of this proceeding in its Panel Testimony. In essence, Verizon has defined its equipment and facilities configuration as the "problem" that requires a "solution". The redacted CO floor plans give intervenors and the Department the opportunity to examine the scope and nature of this "problem." Without production of these redacted floor plans, intervenor CLECs and the Department will remain in the dark with respect to when, how, and why one type of physical

¹ Verizon's refusal to produce redacted floor plans for its collocated COs only serves to compound the difficulties that Verizon already has engendered by refusing to specify which COs will be designated as "critical", how its broadly-defined criteria for designating "critical" COs were developed and how such criteria will be applied, and even how Verizon proposes to "work" with the Department if and when Verizon gets around to designating "critical" COs and converting them to virtual collocation only. See, e.g., Verizon Responses to AL-VZ-1-20, XO-VZ-1-4.

collocation, shared-space CCOE, will be banned in all Massachusetts COs, and physical collocation of all types will be banned in certain “critical” COs. Accordingly, for the reasons set forth in Allegiance’s Motion to Compel and in these Reply Comments, Verizon should be compelled to produce these CO floor plans. In the alternative, if Verizon is not ordered to produce these redacted CO floor plans, the Department should strike those portions of Verizon’s Panel Testimony which link its proposed collocation security plan to Verizon’s current equipment and facilities configuration – making it clear that Verizon’s proposal is based on issues completely unrelated to where and how Verizon and CLEC equipment and facilities are currently configured or will be configured in the future.

III. AL-VZ-1-5: Verizon Cost Information

The motions to compel filed by Allegiance and XO, along with the AT&T Comments, adequately describe the relevance of cost information to this proceeding, and debunk Verizon’s over-reliance on the Hearing Officer’s statements at the Procedural Conference.² Verizon’s response only places its untenable position in sharper relief in arguing that “costs are a function of the type of security plan adopted by the Department,” and cannot be considered at all until the Department, in fact, adopts a security plan. Verizon Reply at 5. This argument confirms CLEC concerns that Verizon believes the Department can and should order radical changes in Massachusetts collocation policy without any consideration whatsoever of the potential cost of those changes to CLECs, Verizon, and the ultimate bearers of all costs of CO security, Massachusetts telecommunications customers. If Verizon truly has

² Verizon’s argument that it is somehow too late to challenge their untenable position on costs should be dismissed out of hand, as Verizon’s responses to CLEC Information Requests were its first statement of that position. Further, Verizon’s testimony itself gave several indications that cost was highly relevant to security measures, at least where it might be Verizon paying those costs. *See* Verizon Testimony at 20, 27 (“ . . . the number of individuals required per CO to observe the video screens with real-time monitoring would be substantial and extremely costly. This is compounded by the need to monitor many COs;” “Because of the design of COs, placing locked cabinets around Verizon MA’s equipment and network is neither a technically feasible nor an economically viable option.”)

any information whatsoever regarding the potential cost of its proposals (other than the limited data regarding CRAS costs already provided), it should be ordered to produce it.

If Verizon has no such information, and refuses to generate any, it is difficult to see how the Department could adopt any of Verizon's proposals in accordance with G.L. c. 159, § 16. The Department's central focus in considering the appropriate level of security measures in Verizon COs has been the balancing of costs and benefits. In its Order on collocation security issues in D.T.E. 98-57 Phase 1 (March 24, 2000), the "Department explained that implementing security measures over and above those needed to protect the network could lead to increased collocation costs without the concomitant benefits of providing necessary protection." D.T.E. 98-57, Order on Reconsideration (September 7, 2000) at 6. Importantly, Allegiance is not requesting that Verizon present cost studies at this time to support its collocation security proposal. It is not reasonable, however, for Verizon to contend that it need not provide any cost information whatsoever in this proceeding.

IV. Conclusion

Based on the foregoing, Allegiance urges the Department to grant both the Allegiance Motion and the XO Motion.

Respectfully submitted,

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